

KENTUCKY HEALTH BENEFIT EXCHANGE ADVISORY BOARD

Meeting Minutes

April 24, 2014

Call to Order and Roll Call

The fifteenth meeting of the Kentucky Health Benefit Exchange Advisory Board was held on Thursday, April 24, 2014, at 1:30 p.m. in the Large Conference Room at the Office of the Kentucky Health Benefit Exchange. Commissioner Sharon Clark, Chair, called the meeting to order at 1:40 p.m., and the Secretary called the roll.

Board Members Present: Commissioner Sharon Clark, Chair; David Allgood (by phone), Andrea Bennett (by phone), Jeffrey Bringardner (by phone), Dr. Joe Ellis, Ed Erway, Carl Felix, Donna Ghobadi (by phone), Dr. Michael Huang (by phone), Dr. John Thompson, and Marcus Woodward. Gabriela Alcalde, Commissioner Mary Begley, Ruth Brinkley, Connie Hauser, Commissioner Lawrence Kissner, Deborah Moessner, and Julie Paxton were not present at the meeting.

Staff Present: Carrie Banahan, Tammy Bullock, Reina Diaz-Dempsey, Leigh Edens, Miriam Fordham, Kris Hayslett, Tracy Kemper, Jean Klinge, Carol Turner Lodmell, Bill Nold, Brenda Parker, Vanessa Petrey, Kathy Ramsey, Sherilyn Redmon, Ronda Sloan (DOI), D. J. Wasson (DOI), and Maggie Woods (DOI).

Approval of Minutes

A motion was made to accept the minutes of the January 23, 2014, meeting, seconded, and approved by voice vote.

Update on Office of the Kentucky Health Benefit Exchange Activities

Carrie Banahan, Executive Director, Office of the Kentucky Health Benefit Exchange (KHBE), updated the members on the Exchange activities. Ms. Banahan reported that at the end of open enrollment, 413,410 had enrolled in coverage through kynect including 330,165 individuals enrolled in Medicaid. The majority of the Medicaid enrollments have been through the Medicaid expansion. Over 82,000 individuals enrolled in Qualified Health Plans (QHP). Ms. Banahan noted that the QHP and Small Business Health Options Program (SHOP) enrollments have been impacted by early renewals offered in 2013. Enrollments are continuing in QHPs through special enrollment. There is continuous enrollment for Medicaid and SHOP plans. About 75 percent of the individuals enrolling through kynect reported no previous health insurance coverage. The 2015 open enrollment period will run from November 15, 2014 through February 15, 2015.

Chris Clark, Program Manager, KHBE, updated the members on the system developments. Release 4.0 is scheduled for June 2014 which will bring functionality into the kynect system

looking forward to 2015. Release 4.0 includes the renewals, appeals, and appointments processes, a customer satisfaction survey, and a business intelligence function to make reporting easier.

A representative from Deloitte reported that future improvements in the kynect system are focused on increasing the efficiency of the system including the Self Service Portal and other public facing domains. Future system developments also include a mobile phone application. Agents, particularly in the SHOP market, are a primary focus as SHOP applications primarily come through agents and not employers. Ms. Banahan commented that the KHBE would like to see significant improvements in SHOP enrollments.

Subcommittee Reports

Behavioral Health Subcommittee

Marcus Woodward, on behalf of Julie Paxton, Chair, reported that the Behavioral Health Subcommittee held a meeting on February 24, 2014. The subcommittee received an update on Exchange activities. There continue to be issues with payment for behavioral health professional services, especially for those behavioral health professionals who operate under supervision. Many of these are currently licensed, but there are also plans for registered behavior technicians. The registered behavior technicians, however, are only high school equivalency individuals who provide care, under supervision of Bachelor's degree level individuals, who in turn are supervised by Masters level individuals.

Additionally, there are continuing problems with Medicaid managed care organizations (MCO) concerning medical necessity. All MCOs have now changed to a national review program, generally Interqual, with the exception of Coventry Cares, which is continuing to use in-house criteria. Individuals may appeal, but often the decision will be remanded back to the hearing officer, upon review by the Secretary of the Cabinet. There is not a process available for external review.

Dental/Vision Subcommittee

Dr. Joe Ellis, Chair, reported that the Dental/Vision Subcommittee held a meeting on February 21, 2014. The subcommittee was updated on enrollment metrics including stand-alone dental plan enrollments and kynect activities. Members were also updated on plan management activities for the fall of 2014 and 2015 including lessons learned from the 2104 certification of QHPs, dental benefits and proposed federal rules for stand-alone dental plans, and vision benefits.

Regarding the proposed federal rules for stand-alone dental plans, the Dental/Vision Subcommittee recommends the Office of the Kentucky Health Benefit Exchange seek a waiver from the U.S. Department of Health and Human Services (HHS) that will allow the KHBE to maintain requirements as identified in identified in Section 16(1)(e)2,3, of 900 KAR 10:010, if the HHS issues a final regulation which:

- (1) Deletes the current standard of a "reasonable" maximum out of pocket for a stand-alone-dental plan;
- (2) Adds a new maximum out-of-pocket standard for a stand-alone dental plan, including:

- a. \$300 for one covered child; and
 - b. \$400 for two or more covered children; and
- (3) Prohibits a stand-alone dental plan variation of plus or minus two percentage points of:
- a. Low level of coverage with an actuarial value of 70 percent; and
 - b. High level of coverage with an actuarial value of 85 percent.

Education/Outreach Subcommittee

David Allgood, on behalf of Tihisha Rawlins, Chair, reported that the Education and Outreach Subcommittee held meetings on January 29, February 26, and April 9, 2014. Members were updated on the enrollment metrics. To facilitate continued qualified enrollments during the April 4-11 Special Enrollment period, a button was added to the Self Service Portal, where clients could click that they encountered problems while trying to apply on March 31, and then were allowed to continue their applications and plan selection.

The numbers of Medicaid enrollments versus those eligible for QHPs has remained a consistent 80/20 split. One particularly strong demographic was the 18-34 year old age group, or Young Invincibles. Kentucky was one of the leading states in reaching this demographic. On April 10-11, kynect conducted focus groups with Young Invincibles in Lexington, to find out from this age group why some responded and others did not in terms of obtaining coverage, and how kynect can improve its messaging to reach this age group better and assist them in making the decision to get insurance.

The call center continues to be an area needing improvement. The support professional line particularly experiences long wait times and lacks consistency. New procedures are being introduced to address this issue.

The subcommittee received updates from the kynector agencies. Community Action Kentucky will be meeting with all of its kynector entities in Regions 1, 2, 4, 5, 6, and 7 to look at what worked and what didn't, and what improvements need to be made for next year. An emphasis is being placed on maintaining the web of community partnerships already established. The Kentucky Primary Care Association is letting people know in its region, Region 8, that they can keep signing up for Medicaid and is looking at how to help better explain the health care system, especially to those coming out of prison or substance abuse treatment centers. KIPDA in Region 3 is continuing its standing appointments with the immigrant community and several local health departments and is further expanding relationships with unemployment offices and the corrections system. The next meeting of the subcommittee is scheduled for May 7, 2014, 2:30 p.m. at the KHBE office.

Navigator/Agent Subcommittee

Marcus Woodward, Chair, reported that the Navigator/Agent Subcommittee held a meeting on February 20, 2014. Barbara Gordon, Rob Jones, Lindsay Nelson, Gregory J. Schell, and Kelly Humphrey Schlachter were nominated to serve on the subcommittee. KHBE staff provided an update of Exchange activities, current metrics, and administrative regulations. Members discussed issues they have encountered during open enrollment and opportunities to make improvements to the system and process. Deloitte staff provided an update on new functionality

for the agent and kynector portals. A Task Force of members from this subcommittee and members of the SHOP Subcommittee reported on recommendations for SHOP enhancements. The next meeting for the Navigator/Agent Subcommittee is scheduled for May 1, 2014, at 3 p.m.

Qualified Health Plans Subcommittee

Carl Felix, on behalf of Deborah Moessner, Chair, reported that the Qualified Health Plans Subcommittee met on April 23, 2014. The members discussed options for expanding the number of plans offered by issuers for the 2015 plan year. Currently, issuers are limited to offering four plans per metal level. The KHBE wants to expand the consumers' plan choices for 2015 while trying to strike the balance between having enough choice and determining the number of plans that would allow for choice but not run the risk of adverse selection. Bill Nold informed the subcommittee of the approaches that the federally-facilitated markets (FFM) and other states have used in determining plan limits. The FFM has used a meaningful difference standard and other states have set a limit on the number of plans as the KHBE has done.

After some discussion, a motion was made, seconded, and approved to recommend that the KHBE expand the limit on the number of plans offered by an issuer from four per metal level to eight per metal level for the 2015 plan year and to revisit the issue for the 2016 plan year.

Commissioner Sharon Clark expressed concerns about the increased workloads that would be required of the Kentucky Department of Insurance staff to review plan rates and forms as a result of the QHP Subcommittee recommendation to expand the number of plans to be offered by issuers. Commissioner Clark reported that staff resources at DOI responsible for reviewing plans is already stretched very thin.

Small Employer Health Options Program (SHOP) Subcommittee

Carrie Banahan, on behalf of Jeffrey Bringardner, Chair, reported that the SHOP Subcommittee has not met since the last Advisory Board meeting.

A motion to accept the subcommittee reports including the recommendations contained therein was made, seconded, and approved by voice vote.

In light of the concerns expressed by Commissioner Clark, a motion was made, approved, and seconded to have the QHP Subcommittee members meet with issuers and the DOI to have conversations about the recommended expansion in the number of plans to be offered by issuers for the 2015 plan year.

Other Business

The next meeting of the Advisory Board will be held on July 24, 2014, at 1:30 p.m. at the Office of the Kentucky Health Benefit Exchange.

Adjournment

The meeting was adjourned at 3:15 p.m.